

MEDIA RELEASE

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Lombard Odier survey: Next Gen HNWI's go "all in" on Islamic and Sustainable Assets

- Demand for Islamic investment strategies in the Middle East is very high among younger investors, and almost as strong as for older generations. The vast majority (91%) of younger investors already allocate to this asset class.
- A significant majority (81%) of younger investors already consider sustainability factors in their investment decisions and 73% believe that this can drive better investment performance.
- Younger investors in the region believe that there are significant opportunities in the digital and tech sectors (79%) and that private assets represent an important asset class (60%).
- The Next Gen respondents show a strong sense of loyalty to the Middle East, with the vast majority (89%) holding their assets in the region. However, 23% are rethinking the geographical set-up of their family wealth.

Lombard Odier, a leading global wealth and asset manager with a 50-year legacy in the Middle East providing wealth planning solutions, today revealed further results from its 'Middle East investor views 2022' survey, which examine the investment habits of next generation investors.

Having surveyed 300 high-net-worth individuals (HNWIs), of which 200 were under the age of 40, the findings reveal that younger investors are more likely to seek investments that comply with their values, including in Islamic and sustainability-focussed assets, while seeking a wealth management partner that shares their investment values and principles.

Younger investors in the region are positive on values-based assets such as Shariah-compliant and Islamic investments, alongside those taking sustainability factors into account. 91% say they already allocate to Islamic investments, while 88% plan to increase their allocations to sustainable assets. This comes as no surprise given the positive performance of sustainable investments, with 73% of respondents believing that they can generate improved returns through ventures that drive the transition

to a net-zero economy, and 74% assuming that new business opportunities will be found in sustainable sectors in the region.

“Islamic Finance has proven its resilience against the worst of situations” said a younger investor in the UAE, with a younger Saudi investor commenting: “Sustainable investing is a key business fundamental for us. We formulate our investments and determine whether they are sustainable according to key factors, prioritising these conditions.”

Adherence to Islamic principles is also a key area of focus. While the families of 85% of young respondents share traditional Middle Eastern values based on religious or cultural principles, 31% say those traditional values are updated for the present day. This contrasts with older investors, 79% of which say their values are exclusively traditional.

There is also a divergence in the objectives of younger and older investors in preserving and growing their wealth. Younger investors have a greater focus on improving their lifestyle and remaining wealthy compared to older investors over the age of 40 (45% vs 16%), who are more interested in their financial and reputational legacy.

The survey also highlights the geographic spread of younger respondents’ investments. 89% of younger HNWI’s hold their assets in the Middle East and intend to keep them there over the next five years, while the remaining 11% keep their assets in Europe (5%), North America (4%) and Asia Pacific (2%).

Commenting on the findings, **Arnaud Leclercq, Partner Holding Privé and Head of New Markets at Lombard Odier**, said: “*The latest results from our Middle East investor views 2022 survey reveal a consensus emerging between older and younger investors in several areas, but specifically in values-based investing. The next generation’s enthusiasm for Islamic and sustainable investing, and their keenness to work with expert financial advisors that share their values, is very encouraging.*

***He added:** We also observed a keen focus on regional investing, highlighting the sheer opportunity the Middle East offers for maintaining and accumulating greater wealth. At Lombard Odier, helping businesses to plan, organise, protect and transfer their wealth is shaped by half a century’s experience in the Middle East. We look forward to using that experience to help the next generation plan their future with confidence.”*

You can access the full report on [Lombard Odier’s Middle East survey page](#).

This report is the final part of our survey, ‘Middle East investor views 2022’. The survey included 300 high-net-worth (HNW) investors and business owners from the United Arab Emirates, Saudi Arabia, Kuwait, Oman, Qatar, Bahrain, Egypt and Lebanon, and respondents included both younger investors (aged 18-40) and older generation investors (aged 40 and upwards). Topics included: how Islamic values guide planning decisions, family governance, and the internationalisation of wealth, among others.

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About Lombard Odier

Lombard Odier is a global wealth and asset manager, and a leader in sustainable investing. For over 225 years and through more than 40 financial crises, the Group has combined innovation and prudence to align itself with the long-term interests of private and institutional clients. The Group is solely owned by its Managing Partners and has a strong, liquid and conservatively invested balance sheet with a CET1 ratio of 29.5% and a Fitch rating of AA-.

Lombard Odier provides a comprehensive offering of wealth services, including succession planning, discretionary and advisory portfolio management, and custody. Asset management services are offered through Lombard Odier Investment Managers (LOIM). The Group has created cutting-edge banking technology, which is also leveraged by other Swiss and European-based private banks and financial institutions.

The Group had total client assets of CHF 310 billion at 30 June 2022. Headquartered in Geneva since 1796, at end-June the Group had 25 offices in 20 jurisdictions and employed 2,675 people.

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